

-----Original Message-----

**From:** Jonathan S. Marashlian [mailto:jmarashlian@earthlink.net]

**Sent:** Wednesday, June 21, 2006 5:13 PM

**To:** 'Stephen Murray'; 'David Rudd--GR'

**Cc:** mike@omnilec.com; 'Fred Miri'

**Subject:** RE: Letter to Counsel From Gallatin

David -

Although BitWise cannot tie the \$114 of remaining undisputed charges to any invoice, BitWise will nonetheless make payment on the \$114 balance today. Please remove the ordering freeze promptly upon receipt of payment.

Your letter indicates that GRC is frustrated in its efforts to negotiate a replacement ICA with my client. GRC's frustrations are understandable. However, GRC's frustrations must be tempered against the backdrop of the regulatory uncertainty governing the implementation of the TRRO and associated changes in Illinois law (all of which has only just recently been resolved by the DC Circuit – see attached Opinion), my client's limited management resources which results in Mike's busy and unpredictable schedule, and the fact that the contents of the proposed replacement ICA first presented to my client and the ICA presented to counsel upon the parties' re-establishment of the negotiation cycle has substantively evolved over time by GRC's choice. Nonetheless, frustrations arising from the past should have no bearing on the obligation both parties recently agreed to undertake to quickly negotiate in good faith towards the ultimate goal of executing a fair and reasonable replacement ICA that is consistent with the changes in federal and state law, but which remains subject to the ICC's continuing jurisdiction over the reasonableness of all wholesale rates. As I have indicated to Stephen, I am prepared to work towards this goal on behalf of my client. In the meantime, however, we expect GRC to comply with its contractual obligations under the existing ICA.

One of these obligations we will discuss tomorrow, pertaining to the offering of DS-1 UNE loops.

As you should be aware, the billing disputes which gave rise to the ordering freeze are directly linked to the DS-1 pricing issue. My client only ceased making payments on undisputed charges upon being advised by GRC that GRC would implement the freeze regardless of whether he paid the undisputed portion. My client's response of withholding payment pending resolution of the underlying issue was a reasonable step because it was taken in self-preservation and only after having been advised that GRC intended to freeze ordering unless it received full payment of all disputed and undisputed charges.

Nevertheless, my client has now paid in full (or will soon) all undisputed charges. Therefore, we anticipate lifting of the ordering freeze to permit my client to process orders no later than tomorrow morning, if not sooner.

I also look forward to discussing with you and Stephen and GRC management our concerns regarding the DS-1 UNE loop issue and to reaching a temporary compromise agreement on pricing until such time as a replacement ICA is executed.

I am available at 10 AM EST for your call.

With regards,  
Jonathan

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6/22/2007

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**From:** Stephen Murray [<mailto:murrays@madisonriver.net>]  
**Sent:** Wednesday, June 21, 2006 5:10 PM  
**To:** David Rudd--GR; [jsm@thglaw.com](mailto:jsm@thglaw.com)  
**Cc:** [mike@omnilec.com](mailto:mike@omnilec.com); Fred Miri  
**Subject:** RE: Letter to Counsel From Gallatin

Thank you, David

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-----Original Message-----

**From:** [DORUDD@aol.com](mailto:DORUDD@aol.com) [<mailto:DORUDD@aol.com>]  
**Sent:** Wednesday, June 21, 2006 4:43 PM  
**To:** [jsm@thglaw.com](mailto:jsm@thglaw.com)  
**Cc:** [mike@omnilec.com](mailto:mike@omnilec.com); [mirif@madisonriver.net](mailto:mirif@madisonriver.net); [murrays@madisonriver.net](mailto:murrays@madisonriver.net)  
**Subject:** Letter to Counsel From Gallatin

Jonathan, attached is a response to your email communication to Steve Murray. Perhaps these matters can be discussed and hopefully resolved during our conversation tomorrow.

DAVID O. RUDD  
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6/22/2007